No. 80-1038

IN THE

Supreme Court of the United States

OCTOBER TERM, 1980

PUBLIC SERVICE COMMISSION OF THE STATE OF TENNESSEE, et al.,
Petitioners,

v.

LOUISVILLE AND NASHVILLE RAILROAD COMPANY, et al.,
Respondents.

On Petition for Writ of Certiorari to the United States Court of Appeals for the Sixth Circuit

BRIEF OF RESPONDENTS IN OPPOSITION

HARLAN DODSON
Counsel of Record
TYREE B. HARRIS
DODSON, HARRIS, ROBINSON & ADEN
P.O. Box 2524
Nashville, Tennessee 37219
(615) 244-6840

[*Additional Counsel Listed on Inside Cover*]

PRESS OF BYRON S. ADAMS PRINTING, INC., WASHINGTON, D. C.

EVERETT B. GIBSON
GREGORY G. FLETCHER
LAUGHLIN, HALE, REGAN, CLARK & GIBSON
2201 First Tennessee Bank Bldg.
Memphis, Tennessee 38103

DAN E. MCGUGIN, JR.
WATKINS, MCGUGIN, MCNEILLY & ROWAN
First American Center
Nashville, Tennessee 37238

J. O. BASS
W. W. BERRY
BASS, BERRY & SIMS
2700 First American Center
Nashville, Tennessee 37238

JOHN W. KELLEY
ORTALE, KELLEY, HERBERT & CRAWFORD
23rd Floor, Life & Casualty Tower
Nashville, Tennessee 37219

WILLIAM C. ANTOINE
JAMES W. MCBRIDE
Southern Railway System
P.O. Box 1808
Washington, D.C. 20013

ROBERT C. MOORE
Louisville & Nashville Railroad Co.
P.O. Box 1198
Louisville, Kentucky 40201

RAYMOND WHITEAKER
South Central Bell Telephone Co.
P.O. Box 10
Nashville, Tennessee 37202

Attorneys For Respondents

QUESTIONS PRESENTED

Respondents are dissatisfied with the Petitioners' presentation of the questions involved, and, therefore, present the sole question as follows:

Was the district court barred by 28 U.S.C. § 1341 from enjoining the certification of Respondents' property tax assessments by Tennessee assessing agencies?

PARTIES

1. The petitioners are the Public Service Commission of the State of Tennessee; Honorable Bob Clement, Chairman, Honorable Frank D. Cochran, and Honorable Z. D. Atkins, Members of the Public Service Commission of the State of Tennessee; the State Board of Equalization of the State of Tennessee; Honorable Ray Blanton, Honorable Gentry Crowell, Honorable Harlan Mathews, Honorable Jayne Ann Woods, Honorable David Walker, and Honorable William O. Beach, Members of the State Board of Equalization of the State of Tennessee.

2. The respondents are Louisville and Nashville Railroad Company; Clinchfield Railroad Company; Southern Railway Company; Cincinnati, New Orleans and Texas Pacific Railway Company; Alabama Great Southern Railroad Company; Illinois Central Gulf Railroad Company; South Central Bell Telephone Company; Adamsville Telephone Company; Ardmore Telephone Co., Inc.;[1] United Inter-Mountain Telephone Company; Tennessee Telephone Company; Con-

[1] The Ardmore Telephone Co., Inc., which is a party in this case, was omitted from the list of parties contained in the petition.

cord Telephone Exchange, Inc.; Claiborne Telephone Company; West Tennessee Telephone Company; Crockett Telephone Company, Inc.; Humphreys County Telephone Company; Powell Telephone Company; and Tellico Telephone Company.[2]

---

[2] Attached as Appendix A is a list of parent, subsidiary and affiliated companies in compliance with Rule 28.1.

TABLE OF CONTENTS

Page

QUESTIONS PRESENTED i

PARTIES ..... i, ii

TABLE OF CONTENTS iii

TABLE OF AUTHORITIES iii

OPINIONS BELOW 1

JURISDICTION 2

STATEMENT OF THE CASE 2

REASONS FOR DENYING THE WRIT 2

CONCLUSION 6

APPENDIX 1a

TABLE OF AUTHORITIES

Louisville and Nashville Railroad Company v. Public Service Commission, 249 F.Supp. 894 (M.D. Tenn. 1966), aff'd, 389 F.2d 247 (6th Cir. 1968) 5

Nashville C. and S. L. Ry. v. Browning, 310 U.S. 362, 60 S.Ct. 968, 84 L.Ed. 1254 (1940) 4, 5

No. 80-1038

IN THE

Supreme Court of the United States

OCTOBER TERM, 1980

PUBLIC SERVICE COMMISSION OF THE STATE OF TENNESSEE, et al.,
Petitioners,

v.

LOUISVILLE AND NASHVILLE RAILROAD COMPANY, et al.,
Respondents.

On Petition for Writ of Certiorari to the United States Court of Appeals for the Sixth Circuit

BRIEF OF RESPONDENTS IN OPPOSITION

OPINIONS BELOW

The opinion of the United States Court of Appeals for the Sixth Circuit was filed September 26, 1980 and is reported at 631 F.2d 426 (1980). The opinion of the United States District Court for the Middle District of Tennessee was filed May 4, 1978 and is reported at 493 F.Supp. 162 (1978). Copies of these

opinions are included in the appendix to the petition. (Appx. A4-A28 and A46-A56)

JURISDICTION

The jurisdictional requisites are adequately set forth in the petition.

STATEMENT OF THE CASE

Respondents agree, in general, with the Statement of the Case contained in the petition. However, Respondents do not agree that the statements made on pages 9 and 10 of the petition regarding the reliability of sales ratio studies for purposes of comparison between the level of assessment of centrally assessed public utility property and that of locally assessed property, accurately represent the evidence in the case. However, since the district court found that the level of appraisal for assessment purposes of locally assessed property in Tennessee was 63%, since there was ample evidence in the record to support such a conclusion, and since the Sixth Circuit affirmed such a finding and the issues presented by the petition do not call into question the accuracy of such a finding, no counterstatement of the case will be made.

REASONS FOR DENYING THE WRIT

I

The Issues Presented By This Case Are Not Sufficiently Special Or Important To Warrant Review By This Court.

The petition does not comply with Rule 17 in that it does not set forth the reasons relied upon for the allowance of the writ. Rule 17 states that certiorari will be

granted only where special or important reasons for doing so exist. The petition has not set forth any of the reasons for granting certiorari enumerated in Rule 17 nor any other reasons. The petition is no more than an appellate brief which reargues the merits of the case that was presented to the Sixth Circuit. The issues presented by this case are, in fact, not sufficiently important to warrant review by this Court and the petition should therefore be denied.

II

The Principal Question Presented By The Petition For Certiorari Is Not An Issue In This Case And Has Been Raised For The First Time In This Petition For Certiorari.

Before the Sixth Circuit the Petitioners argued that the issues in this case were:

1. Was the district court barred by 28 U.S.C. § 1341 from enjoining the certification of railroad property tax assessments by Tennessee assessing agencies?

2. Was federal declaratory and injunctive relief necessary to protect the railroads from the irreparable loss of a federally protected right?

3. Was federal declaratory and injunctive tax equalization relief necessary to protect the railroads' right to the equal protection of the laws before the state courts have had an opportunity to determine the extent of the right of the railroads to tax equalization under State law as embodied in the State constitution?

4. Did the district court erroneously substitute its judgment for that of the state assessing and tax equalization agencies in granting injunctive equalization relief?

In the Court of Appeals the Petitioners did not question the Respondents' right to equalization relief if Respondents' interpretation of Tennessee law was correct. Both the district court and the Court of Appeals found Respondents' interpretation of Tennessee law to be correct. It was simply the insistence of the Petitioners that the Tennessee law should first be interpreted by the state court rather than the federal courts. Now, for the first time, Petitioners assert that the Respondents' right to equal protection of the laws under the Fourteenth Amendment to the United States Constitution was not violated "simply because Respondents' property may have been illegally assessed under Tennessee property tax laws." As authority for this assertion, Petitioners rely on *Nashville, C. & St. L. Ry.* v. *Browning,* 310 U.S. 362, 60 S. Ct. 968, 84 L. Ed. 1254 (1940), a case which was neither cited nor relied upon by the Petitioners before the Sixth Circuit (see Table of Authorities from Appellants' Brief before the Sixth Circuit attached as Appendix B). *Browning* does not stand for the proposition that a state may disregard its laws in dealing with its citizens and nonetheless not be in violation of the equal protection clause of the Fourteenth Amendment. In *Browning,* Justice Frankfurter simply recognized that in the peculiar factual situation where all agencies of the state are conforming to a practice, systematic and unbroken for many years, which has never before been questioned, that practice may, in certain circumstances, be considered to be the "law" of the state. Such a conclusion, however, requires a factual determination based upon the record in the particular case.

Twenty-eight years later, in *Louisville & Nashville R. Co.* v. *Public Service Commission,* 249 F. Supp. 894 (M.D. Tenn. 1966), aff'd, 389 F.2d 247 (6th Cir. 1968), the United States District Court for the Middle District of Tennessee, after fully discussing *Browning*, held, based upon the facts in the record in the case before it, that discriminatory treatment of railroads was not permissible under Tennessee law. That decision was affirmed by the Sixth Circuit, after full consideration and discussion of *Browning*. Based upon the facts in this case and the reasoning contained in *Louisville & Nashville R. Co.* v. *Public Service Commission*, the decisions of the courts below are perfectly consistent with *Browning*.

III

The Decisions Below Gave Full Consideration To The Issues Presented And Decided Them Correctly.

In well-reasoned opinions both the district court and the United States Court of Appeals for the Sixth Circuit carefully considered the issues presented and correctly decided them. Both opinions are in accord with the prior decision of the Sixth Circuit in *Louisville & Nashville R. Co.* v. *Public Service Commission,* supra. The only issue actually presented by the petition is whether the Respondents were barred by 28 U.S.C. § 1341 from bringing their action in federal court. The petition simply restates the arguments made before the Sixth Circuit. Such argument of the merits does not represent any ground for granting certiorari. Therefore, the petition for certiorari should be denied.

CONCLUSION

For the foregoing reasons, Respondents respectfully submit that the petition for a writ of certiorari should be denied.

HARLAN DODSON
Counsel of Record
TYREE B. HARRIS
DODSON, HARRIS, ROBINSON & ADEN
P.O. Box 2524
Nashville, Tennessee 37219
(615) 244-6840

EVERETT B. GIBSON
GREGORY G. FLETCHER
LAUGHLIN, HALE, REGAN, CLARK & GIBSON
2201 First Tennessee Bank Bldg.
Memphis, Tennessee 38103

DAN E. MCGUGIN, JR.
WATKINS, MCGUGIN, MCNEILLY & ROWAN
First American Center
Nashville, Tennessee 37238

J. O. BASS
W. W. BERRY
BASS, BERRY & SIMS
2700 First American Center
Nashville, Tennessee 37238

JOHN W. KELLEY
ORTALE, KELLEY, HERBERT & CRAWFORD
23rd Floor, Life & Casualty Tower
Nashville, Tennessee 37219

WILLIAM C. ANTOINE
JAMES W. MCBRIDE
Southern Railway System
P.O. Box 1808
Washington, D.C. 20013

ROBERT C. MOORE
Louisville & Nashville Railroad Co.
P.O. Box 1198
Louisville, Kentucky 40201

RAYMOND WHITEAKER
South Central Bell Telephone Co.
P.O. Box 10
Nashville, Tennessee 37202

Attorneys For Respondents

APPENDIX

APPENDIX A

United Inter-Mountain Telephone Co. is the wholly-owned subsidiary of United Telecommunications, Inc. The subsidiaries and affiliates of United Inter-Mountain Telephone Co. are:

United Telephone System, Inc.
United Data Services, Inc.
Unitel International, Inc.
Carolina Telephone and Telegraph Company
United Telephone Company of Florida
Florida Telephone Corporation
Winter Park Telephone Company
Quincy Telephone Company
Orange City Telephone Company
Winco Construction Corporation
Winpar Financial Corporation
United Telephone Company of Ohio
United Telephone Company of Indiana
North Supply Company
United Computing Systems, Inc.
Calma Company
On-Line Systems, Inc.
United Telephone Company of Missouri
United Telephone Company of Kansas
United Telephone Company of Minnesota
United Telephone Company of Iowa
United Telephone Company of Arkansas
United Telephone Company of the West
United Telephone Company of the Carolinas
United Telephone Company of the Northwest
Gulf States-United Telephone Company
Palo Pinto Telephone Company
United Telephone Company of Pennsylvania
New Jersey Telephone Company
United Telephone Company of New Jersey
West Jersey Telephone Company
Hillsborough and Montgomery Telephone Company

Saltillo Telephone Company
Florida Telephone Satellite, Inc.
Wintel Service Corporation

Concord Telephone Exchange, Inc. is the wholly-owned subsidiary of Telephone & Data Systems, Inc., Chicago, Illinois. The subsidiaries and affiliates of Concord Telephone Exchange, Inc. are as follows:

Amelia Telephone Corp.
Arcadia Telephone Co.
Asotin Telephone Co.
Augusta Telephone Co.
Badger State Telephone Co. Inc.
Barnardsville Telephone Co.
Black Earth Inc.
Boncuel Telephone Co.
Burlington-Brighton-Wheatland Telephone Co.
Calhoun City Telephone Co. Inc.
Central State Telephone Co.
Clayton Telephone Co.
Continental Telephone Co.
Dodge County Telephone Co.
Edwards Telephone Co. Inc.
Elnora Telephone Co. Inc.
Fennimore Telephone Co.
Greenwood Telephone Co. Inc.
Hartland-St. Albans Telephone Co.
Hendricks Telephone Corp.
Hickory Telephone Co.
Home Telephone Co. Inc.
Home Telephone Co.
Home Telephone of Pittsboro Inc.
Kearsarge Telephone Co.
McClellanville Telephone Co. Inc.
Meriden Telephone Co. Inc.
Mid-State Telephone Co.
Midway Telephone Co.

Mosel & Centerville Telephone Co.
Mt. Vernon Telephone Co.
Northfield Telephone Co.
Oklahoma Tele Communication Systems Inc.
Peoples Telephone Co. (Ala.)
Peoples Telephone Co. (Wis.)
Perkinsville Telephone Co. Inc.
St. Stephens Telephone Co.
Scandinavia Telephone Co.
Service Telephone Co. Inc.
Somerset Telephone Co.
Stockbridge & Sherwood Telephone Co. Inc.
Sugar Valley Telephone Co.
Troy Telephone Co. Inc.
Valders Telephone Co.
Waunakee Telephone Co. Inc.
West Penobscot Tel. & Telegraph Co.
Williston Tel. Co.
Tennessee Telephone Co.
Warren Telephone Co.
Ludlow Telephone Co.
Concord Cable Comm. Co.
Home Catv Inc.
Sevierville Cable Comm. Co.
TCC Inc.
Sevier County Cable Comm. Co.

Tennessee Telephone Company is the wholly-owned subsidiary of Telephone & Data Systems, Inc., Chicago, Illinois. The subsidiaries of Tennessee Telephone Company are:

Amelia Telephone Corp.
Arcadia Telephone Co.
Asotin Telephone Co.
Augusta Telephone Co.
Badger State Telephone Co. Inc.
Barnardsville Telephone Co.
Black Earth Inc.

Boncuel Telephone Co.
Burlington-Brighton-Wheatland Telephone Co.
Calhoun City Telephone Co. Inc.
Central State Telephone Co.
Clayton Telephone Co.
Continental Telephone Co.
Dodge County Telephone Co.
Edwards Telephone Co. Inc.
Elnora Telephone Co. Inc.
Fennimore Telephone Co.
Greenwood Telephone Co. Inc.
Hartland-St. Albans Telephone Co.
Hendricks Telephone Corp.
Hickory Telephone Co.
Home Telephone Co. Inc.
Home Telephone Co.
Home Telephone of Pittsboro Inc.
Kearsarge Telephone Co.
McClellanville Telephone Co. Inc.
Meriden Telephone Co. Inc.
Mid-State Telephone Co.
Midway Telephone Co.
Mosel & Centerville Telephone Co.
Mt. Vernon Telephone Co.
Northfield Telephone Co.
Oklahoma Tele Communications Systems Inc.
Peoples Telephone Co. (Ala.)
Peoples Telephone Co. (Wis.)
Perkinsville Telephone Co. Inc.
St. Stephens Telephone Co.
Scandinavia Telephone Co.
Service Telephone Co. Inc.
Somerset Telephone Co.
Stockbridge & Sherwood Telephone Co. Inc.
Sugar Valley Telephone Co.
Troy Telephone Co. Inc.
Valders Telephone Co.

Waunakee Telephone Co. Inc.
West Penobscot Telephone & Telegraph Co.
Williston Telephone Co.
Warren Telephone Co.
Ludlow Telephone Co.
Concord Cable Comm. Co.
Home Catv Inc.
Sevierville Cable Comm. Co.
TCC Inc.
Sevier County Cable Comm. Co.
Concord Telephone Exchange, Inc.

Powell Telephone Company is the wholly-owned subsidiary of Allied Telephone Co., Little Rock, Arkansas. The subsidiaries and affiliates of Powell Telephone Company are:

Allied Telephone Co. of Arkansas Inc.
Allied Telephone Co. of Missouri Inc.
Allied Telephone Co. of Oklahoma Inc.
Allied Utilities Corp.
Boone Co. Telephone Co.
Donithan Telephone Co.
Echo Telephone Co.
Nocona Telephone Co.
Oklahoma Allied Telephone Co.
Verona Telephone Co.
Wickes Telephone Co.
White River Telephone Co.
Southern Telephone Supply Co.

Claiborne Telephone Company is the wholly-owned subsidiary of Century Telephone Enterprises, Inc. The subsidiaries and affiliates of Claiborne Telephone Company are:

Butler Telephone Co.
Mustang Telephone Co.
Central Louisiana Telephone Co.
Central Telephone Co.
Carter County Telephone Co.

Avery Telephone Co.
Hooks Telephone Co.
Mountain Home Telephone Co.
Carnah Telephone Co.
Athens Telephone Co.
Home Telephone Co.
Liberty Telephone & Comm.
Liberty Telephone Co.
Mississippi Telephone & Comm.
Northwest Telephone Co.
Plain Dealing Telephone Co.
Century Telephone Co.
Union Telephone Co.
United Telephone Co.
Coastal Telephone & Elec.
Myrtle Telephone Co.
Evangaline Telephone Co.
Louisiana Western Telephone Co.
Wyannadote Telephone Co.
Cabboan Telephone Co.
Central Telephone Co. Mich.
Central Indiana Telephone Co.
Elbertfeld Telephone Co.
Hadley Telephone Co.
Au Gres Telephone Co.
Holway Telephone Co.

South Central Bell Telephone Company is a wholly-owned subsidiary of American Telephone and Telegraph Company. The subsidiaries and affiliates of South Central Bell Telephone Company are:

American Bell Incorporated
American Bell International, Incorporated
American Telephone and Telegraph Company of Arkansas
American Telephone and Telegraph Company of Baltimore City
American Telephone and Telegraph Company of Delaware

The American Telephone and Telegraph Company of Illinois
American Telephone and Telegraph Company of Indiana, Inc.
American Telephone and Telegraph Company of Michigan
American Telephone and Telegraph Company of New Jersey
The American Telegraph and Telephone Company of Pennsylvania
American Telephone and Telegraph Company of Rhode Island
American Telephone and Telegraph Company of Virginia
The American Telephone and Telegraph Company of Wisconsin
American Telephone and Telegraph Company of Wyoming
Bell Telephone Company of Nevada
The Bell Telephone Company of Pennsylvania
Bell Telephone Laboratories, Incorporated
195 Broadway Corporation
The Champaign Telephone Company
The Chesapeake and Potomac Telephone Company
The Chesapeake and Potomac Telephone Company of Maryland
The Chesapeake and Potomac Telephone Company of Virginia
The Chesapeake and Potomac Telephone Company of West Virginia
Cuban American Telephone and Telegraph Company
The Diamond State Telephone Company
East Pittsburgh Telephone Company
Eastern Telephone and Telegraph Company (Canada)
Empire City Subway Company (Limited)
Illinois Bell Telephone Company
Indiana Bell Telephone Company, Incorporated
Malheur Home Telephone Company
Manufacturers' Junction Railway Company
Michigan Bell Telephone Company

The Mountain States Telephone and Telegraph Company
Muberta Development Company
Nassau Recycle Corporation
New England Telephone and Telegraph Company
New Jersey Bell Telephone Company
New York Telephone Company
Northwestern Bell Telephone Company
The Ohio Bell Telephone Company
The Ohio Telephone and Telegraph Company
Pacific Northwest Bell Telephone Company
The Pacific Telephone and Telegraph Company
Sandia Corporation
Southern Bell Telephone and Telegraph Company
The Southern New England Telephone Company
Southwestern Bell Telephone Company
Southwestern Bell Telephone Company of Arkansas
Southwestern Bell Telephone Company (Oklahoma)
Teletype Corporation
Teletype International Sales Corporation
Texas Compensation Insurance Company
Transoceanic Cable Ship Company, Incorporated
Transoceanic Communications, Incorporated
Transpacific Communications, Incorporated
Western Electric Company, Incorporated
Western Electric Company, Limited (London)
Wisconsin Telephone Company

Illinois Central Gulf Railroad Company is the wholly-owned subsidiary of IC Industries Inc. The subsidiaries and affiliates of Illinois Central Gulf Railroad Company are:

Blue Island Railroad Company
Chicago Intermodal Company
CM&O Land Company
Gulf Transport Company
Kensington and Eastern Railroad Company (N/S)
New Orleans Great Northern Railway Company

South Chicago Railroad Company, The
Waterloo Railroad Company
Mississippi Valley Corpn.
Chicago & Illinois Western Railroad Company
IC Products Company
Chicago & Illinois Western Railroad Co.
Illinois Center Corporation
LaSalle Properties, Inc.
Philipsborn Equities, Inc.
South Properties, Inc.
H. F. Philipsborn & Co.
IC Industries Finance Corporation N.V.
Pet Incorporated
Pepsi-Cola Bottling of Kenosha & Racine
Pepsi-Cola General Bottlers, Inc.
Pepsi-Cola Kantor Bottling Inc.
Dad's Root Beer Company
Bubble Up Company, Inc.
Abex Corporation
Midas-International Corporation
Abex Industries Ltd.
Illinois Central Export Corporation
Abex International S.A.
Denison Hydraulics, Japan, Ltd.
Abex Industrial, S.A.
Amsco Mexicana, S.A.
Abex Mead, Limited
Abex Industries S.A.
Abex Fluid Power Limited
Abex GmbH
Abex A/S
Abex Industries Aktienbolag
Abex Ges.m.b.H.
Abex Finanziana S.r.L.
Abex Pagid Reibbelag GmbH
Abex Pagid Equipement S.A.
Abex International Holdings Limited

Abex Denison Limited
Danville Pepsi-Cola Bottling Company
Kolmar Products Corporation
Genadco Advertising Agency, Inc.
Pepsi-Cola Bottling Company of Cincinnati
Frolic Homes, Inc.
Huth Manufacturing Corporation
Indiana Trailer Supply, Inc.
International Parts (Canada) Limited
International Stamping Co., Inc.
Ken-Craft Products, Inc.
Midas Automotive Limited
Midas Realty Corporation
Midas Silencers Limited
Muffler Corporation of America
Muffler Corporation of Canada Limited
Norris Homes Incorporated
Societa Italiana per l'Amianto S.p.A.
Helvetia Redevelopment Corporation
Hussmann Refrigerator Co.
American Refrigeration Products, S.A.
Hussmann Refrigeration, Inc.
Hussmann Store Equipment Limited
Krack Corporation
Merchants Refrigerating Company
Merchants Refrigerating Company of California
Mountain Pass Canning Company
Nine-O-Five Stores, Inc.
St. Louis Lithographing Company
Southland Canning & Packing Co., Inc.
Stuckey's, Inc.
Stuckey's Stores, Inc.
Vendome Stores, Inc.
Spartanburg Dairy, Inc.
Applied Air Systems, Inc.
IC Industries Insurance Co. Ltd.
Abex Engineered Products Limited

Louisville and Nashville Railroad Company is a wholly-owned subsidiary of Seaboard Coast Line Railroad Company, which, in turn, is wholly-owned by CSX Corporation. Louisville and Nashville Railroad and Seaboard Coast Line Railroad jointly operate the properties of Respondent, Clinchfield Railroad Company, under a long-term lease. The following are subsidiaries and affiliates of Louisville and Nashville and Clinchfield Railroads:

Georgia Railroad
Atlanta and West Point Rail Road Company
The Western Railway of Alabama
The Carrollton Railroad Company
Chicago and Indianapolis Coal Company, Inc.
Cybernetics & Systems, Inc.
Evansville Connecting Railroad Company
Haysi Railroad Company
Houston-McCord Realty Company
Louisville, Henderson & St. Louis Railway Company
L&N Investment Corporation
Monon Coal Company, Inc.
Monon Realty Company, Inc.
Monon Transportation Corporation
Nashville and Decatur Railroad Company

Southern Railway Company is the parent of Cincinnati, New Orleans and Texas Pacific Railway Company and Alabama Great Southern Railroad Company. The subsidiaries (including wholly-owned subsidiaries) and affiliates of Southern Railway Company, are:

Central of Georgia Railroad Company
The Cincinnati, New Orleans and Texas Pacific Railway Company
Georgia Southern and Florida Railway Company
Norfolk Southern Railway Company
Atlantic and East Carolina Railway Company
Birmingham Terminal Company
Camp Lejeune Railroad Company
Chattanooga Station Company

The Georgia Northern Railway Company
Interstate Railroad Company
Live Oak, Perry and South Georgia Railway Company
Louisiana Southern Railway Company
New Orleans Terminal Company
St. Johns River Terminal Company
State University Railroad Company (54%)
Tennessee, Alabama & Georgia Railway Company
Tennessee Railway Company
Airforce Pipeline, Inc.
Arrowood-Southern Company
Arrowood Southern Executive Park, Inc.
The Atlanta and Charlotte Air Line Railway Company
Atlanta Terminal Company
Blue Ridge Railway Company
Charlotte-Southern Corporation
Chattanooga Terminal Railway Company
Citico Realty Company
Danville and Western Railway Company
Durham and South Carolina Railroad Company
Elberton Southern Railway Company
The Georgia Midland Railway Company
High Point, Randleman, Asheboro and Southern Railroad Company (86%)
Lenoir Car Works
Macon Terminal Company
Memphis and Charleston Railway Company
Mobile and Birmingham Railroad Company (78%)
The National Investment Company
Norfolk Southern Industrial Development Corp.
The North Carolina Midland Railroad Company (97%)
Ocean Steamship Company of Savannah
Southern Rail Terminals, Inc.
Southern Rail Terminals of Alabama, Inc.
Southern Rail Terminals of North Carolina, Inc.
Southern Railway—Carolina Division
Southern Region Coal Transport, Inc.

Southern Region Distribution Services, Inc.
Southern Region Industrial Realty, Inc.
Southern Region Investment Company
Southern Region Materials Supply, Inc.
Southern Region Motor Transport, Inc.
The South Western Rail Road Company (99.8%)
Terminal Properties, Inc.
Transylvania Railroad Company (97%)
Virginia and Southwestern Railway Company
Yadkin Railroad Company (74%)
Algers, Winslow and Western Railway Company
Arrowood Corporate Center Associates
Atlantic and North Carolina Railroad Company
Augusta and Summerville Railroad Company
Beaver Street Tower Company
Central Transfer Railway and Storage Company
Chatham Terminal Company
Chattanooga Choo-Choo Company
The Cincinnati Union Terminal Company
1575 Eye Street Associates
Fruit Growers Express Company
Kentucky & Indiana Terminal Railroad Company
Norfolk and Portsmouth Belt Line Railroad Company
The North Carolina Railroad Company
North Charleston Terminal Company
Pullman Company
Queen City Developers
Richmond, Fredericksburg and Potomac Railroad Company
Richmond-Washington Company
700 North Fairfax Street Limited Partnership
Terminal Railroad Association of St. Louis
Trailer Train Company
Woodstock & Blocton Railway Company

APPENDIX B

Cases

Allied Stores of Ohio v. Bowers, 358 U.S. 522, 3 L.Ed.2d 480, 79 S.Ct. 437 (1959) 25
Aluminum Co. of America v. Department of Treasury of Michigan, 522 F.2d 1170 (6th Cir. 1975) 14, 23

Biltmore Hotel Court v. City of Berry Hill, 216 Tenn. 62, 390 S.W.2d 223 (1965) 16
Bland v. McHann, 463 F.2d 21 (5th Cir. 1972) 13, 14
Blaske v. Bowen, 437 F. Supp. 1056 (S.D. Ind. 1976) ...14, 24

Carroll v. Alsup, 107 Tenn. 257, 64 S.W. 193 (1901) 16, 17, 18, 22, 23

Great Lakes Dredge & Dock Co. v. Huffman, 319 U.S. 293, 87 L.Ed. 1407, 63 S.Ct. 1070 (1943) 24

Hoover Motor Express Co., Inc. v. Railroad and Pub. Util. Comm'n., 195 Tenn. 593, 261 S.W. 2d 233 (1953) ... 21
Humana of Tennessee v. Tennessee Health Facilities Comm'n, 551 S.W.2d 664 (Tenn. 1977) 22

Kistner v. Milliken, 432 F.Supp. 1001 (E.D. Mich. 1977).13, 14

Lehnhausen v. Lake Shore Auto Parts Co., 410 U.S. 536, 35 L.Ed.2d 351, 93 S.Ct. 1001 (1973) 25
Louisville & N. R. Co. v. Atkins, 390 F.Supp. 576 (M.D. Tenn. 1975) 25
Louisville & N. R. Co. v. Public Service Comm'n, 249 F. Supp. 894 (M.D. Tenn. 1966) 16, 17

Mathews v. Rogers, 284 U.S. 521, 76 L.Ed. 447, 52 S.Ct. 217 (1932) 24
Mayor and Aldermen of Morristown v. Burke, 207 Tenn. 180, 338 S.W.2d 593 (1960) 16
McCord v. Nashville, C. and St. L. Ry., 187 Tenn. 277, 213 S.W.2d 196 (1948) 16, 21

PREVIOUS PAGE WAS BLANK

Snow v. City of Memphis, 527 S.W.2d 55 (Tenn. 1975) .. 27
Southern Ry. Co. v. Clement, 57 Tenn. App. 54, 415 S.W. 2d 146 (1966) (cert. den. by Tenn. Sup. Ct. 1967) 17
Spector Motor Service, Inc. v. McLaughlin, 323 U.S. 101, 89 L.Ed. 101, 65 S.Ct. 152 (1944) 28
State ex rel. Vance v. Dixie Portland Cement Co., 151 Tenn. 53, 267 S.W. 595 (1924) 21

Tully v. Griffin, Inc., 429 U.S. 68, 50 L.Ed.2d 227, 97 S. Ct. 219 (1976) 13

Statutes

T.C.A. § 4-507 15
T.C.A. § 4-508 (b) 15, 21
T.C.A. § 4-523 .....15, 22
T.C.A. § 4-524 15
T.C.A. § 4-525 .....15, 23
T.C.A. § 67-605 18
T.C.A. § 67-606 19
T.C.A. § 67-807 14
T.C.A. § 67-810 .....7, 14
T.C.A. § 67-822 .....19, 20
T.C.A. § 67-831 14
T.C.A. § 67-838 .....15, 20, 27
T.C.A. § 67-840 15
T.C.A. §§ 67-901, 67-902 .....6, 14, 26
T.C.A. § 67-922 6
T.C.A. §§ 67-925, 67-926 6
T.C.A. § 67-932 .....7, 14
T.C.A. § 67-933 16
28 U.S.C. § 1331 ..... 2, 4
28 U.S.C. § 1332 2
28 U.S.C. § 1341 .....1, 4, 11, 13